

MINUTES
OF THE
ENVIRONMENTAL PROTECTION COMMISSION
MEETING
FEBRUARY 15, 2011

INGRAM OFFICE BUILDING
7900 HICKMAN ROAD
WINDSOR HEIGHTS, IOWA

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MEETING MINUTES

CALL TO ORDER

The meeting of the Environmental Protection Commission was called to order by Chairperson Charlotte Hubbell at 10:05 a.m. on February 15, 2011 in the Ingram Office Building, Windsor Heights, Iowa.

COMMISSIONERS PRESENT

Gene Ver Steeg
Charlotte Hubbell, Chair
David Petty
Susan Heathcote
Martin Stimson, Vice-Chair
John Glenn
Lorna Puntillo, Secretary
Dee Bruemmer – by phone

COMMISSIONERS ABSENT

Paul Johnson

ADOPTION OF AGENDA

Motion was made by Gene VerSteeg to approve the agenda as presented. Seconded by John Glenn. Motion carried unanimously.

APPROVED AS AMENDED

APPROVAL OF MINUTES

Pg. 6 – change “facial” to “spacial” variability

Motion was made by David Petty to approve the minutes as amended. Seconded by Susan Heathcote. Motion carried unanimously.

APPROVED AS AMENDED

DIRECTORS REMARKS

No comments were made by Director Lande.

INFORMATIONAL ONLY

CONTRACT - SALEM ASSOCIATES - APPLICATION MAINTENANCE AND ENHANCEMENT

Rick Hindman, I.T. Bureau Chief presented the following information.

Recommendations:

Commission approval is requested for an amendment to the one year-service contract with Salem Associates of Des Moines, IA. The contract will begin on March 5, 2011 and terminate on March 4, 2012. The annual contract amount is for \$400,000. The DNR will not renew this contract at the end of the term as the contract is at the end of the allowed extensions and we anticipate the Department of Administrative Services will offer a Master Contract for the acquisition of IT staffing services.

Funding Source:

This contract will be funded through various program area EPA grants or other funds. The additional hours requested for this project will primarily be used by the Water Quality Bureau and none of these projects use general fund money. One specific project is funded through the State Drinking Water Revolving Loan Fund through the federal SRF capitalization grant.

Background:

The Department issued a bid in 2008 to put in place a contract and process for application design and development services for the maintenance and enhancement of over 100 different applications. This contract allows the Department to have the appropriate support resources available on an “as needed” basis and guarantees better oversight of this work with input from ITB. This contract was renewed by commission in February 2010 for an additional year.

The Department shall pay Salem Associates at a rate not to exceed \$85 per hour, with most services anticipated to be billed at \$75 per hour for not more than 5,000 hours. Program bureaus will be responsible for paying for the services from their own budgets.

The Department requests the Commission to approve the contract renewal with Salem Associates to provide application maintenance and enhancement support to the Department’s Information Technology Bureau (ITB).

Purpose:

The parties propose to enter into this Contract for the purpose of retaining the Contractor to provide information technology services.

Contractor Selection Process:

An RFP was issued in the fall of 2008 for IT staff augmentation. Five companies responded the RFP. After review of the resumes by a team of three DNR staff, two companies were selected for interviews. ITB then selected Salem & Associates, Inc. as the vendor with the highest score.

Motion was made by Susan Heathcote to approve the contract as presented. Seconded by Lorna Puntillo. Motion carried unanimously.

APPROVED AS PRESENTED

CONTRACT – UNIVERSITY OF NORTHERN IOWA’S INSTITUTE FOR DECISION MAKING TO ASSIST IN THE DEVELOPMENT OF IOWA’S NONPOINT SOURCE MANAGEMENT PLAN

Allen Bonini, in the Watershed Improvement Section presented the following item.

Recommendations:

Commission approval is requested for a twelve month service contract with the University of Northern Iowa’s Institute for Decision Making of Cedar Falls, Iowa. The contract will begin on February 15, 2011 and terminate on December 31, 2011. The total amount of this contract shall not exceed \$58,068. DNR shall have the option to renew this contract as long as this contract and any extensions do not exceed a six-year period.

Funding Source:

This contract will be funded through the Clean Water Act’s Section 319 program funds.

Background:

The Federal Clean Water Act requires all states to develop and regularly update a NPSMP to lay a foundation for water quality improvement work performed in the state. At a minimum, this plan shall satisfy the Environmental Protection Agency’s nine key elements, which is the foundation for continued funding from the EPA 319 Program. Moreover, this plan provides an opportunity to inventory the most up to date information of all programs dedicated to water quality improvement in the state, document the major water quality problems in the state, and set a clear vision for what these programs can do to correct those problems.

Purpose:

The parties propose to enter into this Contract for the purpose of retaining the Contractor to provide: a vision for the state of Iowa’s nonpoint source pollution goals for the near future, a gap analysis determining where resources are lacking for various aspects of said vision, and prepare in a final deliverable that will serve as Iowa’s updated Nonpoint Source Management Plan.

Contractor Selection Process:

The Institute for Decision Making was chosen by virtue of a single source intergovernmental agreement. The Institute for Decision Making was chosen for this project because of their experience in visioning with a diverse set of clients throughout the state and their ability to serve as an objective impartial third party facilitator.

Memorandum of Understanding

DNR – Non-Point Source Management Plan (NPSMP)

January 20, 2011

The Institute for Decision Making (IDM) and the DNR- Environmental Services Division, represented by Allen Bonini, wish to develop a planning partnership. The expected outcome from this partnership is a shared vision and focused plan for what Iowa wants to accomplish in Key NPS Issues in the next 10 years. When implemented, the plan should reflect the watershed approach, align with the EPA strategic plan, help target other programs, and help expand funding opportunities.

Based on IDM's experience, the process for the NPSMP can reasonably be expected to require about 9 - 10 months.

Scope of Work / Collaborative Project Components:

1. Pre-session Meeting with DNR – Watershed Improvement Section Planning Project Staff
IDM will review and finalize with the DNR staff the project work plan, planning process detail, with division of responsibilities, outline for the written plan document and criteria for priorities. *Timeline: February, 2011*
2. Citizen Listening Sessions IDM will subcontract with Iowa Learning Farms to conduct four listening sessions throughout Iowa: three farmer listening sessions and one urban listening session. Location of listening sessions is yet to be determined. Each listening session will include 8-15 participants and 2-3 facilitators. ILF program manager Jacqueline Comito will conduct the listening sessions. The listening sessions hopes to assess the degree citizens are aware of the impact of nonpoint source pollution on water resources, ascertain community capacity for addressing nonpoint problems and identify specific activities Iowans intend to conduct to improve its water resources. IDM will attend at least one listening session for project coordination and review results to be incorporated in the planning process and the NPSMP. *Timeline: March – April, 2011*
3. Stakeholder Input and visioning (for preparing goals, objectives) IDM will design, facilitate and document three (3) stakeholder sessions. (IDM assumes the inventory of existing programs and resources will be complete and stakeholder groups identified.) DNR staff will identify and invite stakeholder group representatives and arrange for meeting facilities and refreshments. *Timeline: March – May 2011*
 - a. *Session I – Creating shared vision elements*
 - b. *Session II – Developing goals and objectives*
 - c. *Session III – Refining goals and objectives*

4. Drafting the Vision, Goals and Objectives IDM will draft a written vision statement, goals and objectives based on stakeholder input. *Timeline: June, 2011*
5. Meeting with DNR staff IDM will meet with DNR staff to review draft vision, goals and objectives and refine. *Timeline: June, 2011*
6. Core Partners – Initial Review, Feedback and Validation IDM will design and facilitate a process to seek validation of the vision, goals, and specific objectives of the plan and assigned potential lead or secondary responsibility. *Timeline: July, 2011*
7. Identifying Missing/Needed Programs and Resources to Accomplish the Vision IDM will work with DNR staff and core partners to identify and assess gaps aligning with the vision, goals and objectives in the draft plan. *Timeline: August, 2011*
8. Merging Resource Inventory and Gaps with the Vision IDM will work with DNR staff to merge resource inventory and gaps into the vision and draft plan and incorporate missing or needed programs and resources into the plan. *Timeline: September, 2011*
9. First Cut Draft of the NPSMP Plan IDM will work jointly with DNR staff to draft the first cut version of the full plan. IDM will provide the vision, goals and objectives and review the full document. *Timeline: October, 2011*
10. Plan Endorsement IDM will design and facilitate a process to seek endorsement of the draft plan from the Core Partners and other identified stakeholders by the DNR. *Timeline: October-November, 2011*
11. Finalize the NPSMP Plan to EPA – Initial Review, Feedback and Validation IDM will assist DNR staff to incorporate any suggested changes and finalize the written working document. *Timeline: December, 2011*
12. Public Relations Document (Plan – short version) IDM will provide review and input of the public relations version of the NPSMP Plan. *Timeline: December, 2011*

During the citizen listening sessions, most participants stated the value of the plan. Iowa learning farms will be soliciting interest to participate in these public information sessions. Time and financial constraints have limited us to only four sessions in March and April. The information should be available no later than late March.

Motion was made by David Petty to approve the contract as presented. Seconded by Susan Heathcote. Motion carried unanimously.

APPROVED AS PRESENTED

CONTRACT – STATE HYGIENIC LABORATORY – RATHBUN WATER QUALITY MONITORING PROGRAM

Lisa Fascher, in the Watershed Monitoring and Assessment Section presented the following information.

Recommendations:

Commission approval is requested for a one year-service contract with the State Hygienic Laboratory at the University of Iowa. The contract will begin on March 1, 2011 and terminate on December 31, 2011. The total amount of this contract shall not exceed \$ 56,108.16. DNR shall have the option to renew this contract long as this contract and any extensions do not exceed a six-year period.

Funding Source:

This contract will be funded through Rathbun Land and Water Alliance funds (50%), U.S. Environmental Protection Agency Clean Water Act Section 319 funds (33%), and State Appropriated Infrastructure funds (17%).

Contracting Authority is the Code of Iowa 455B.103.

Background:

This contract encompasses water monitoring efforts in the Rathbun Lake watershed and is the primary basis for assessing success of watershed improvement efforts. This contract is a partnership with the Rathbun Land and Water Alliance (RLWA), the DNR Watershed Improvement Section, the DNR Watershed Monitoring and Assessment Section, and the US Army Corps of Engineers. The Rathbun Land and Water Alliance (RLWA) has funded water quality monitoring activities throughout the Rathbun watershed for the past 10 years, developing partnerships that have led to successful watershed improvement efforts. The DNR has long supported the efforts of the RLWA and has utilized the data collected through their programs to characterize water quality in the Rathbun watershed, track the trends in water quality over time, measure the success of best management practices funded through the 319 program, estimate loading of pollutants to Rathbun Lake, and provide the RLWA with the information necessary to manage and evaluate Rathbun Lake most appropriately.

Purpose:

The parties propose to enter into this Contract for the purpose of retaining the Contractor to provide sample collection and laboratory analysis services for the Rathbun Water Quality Monitoring Program.

Contractor Selection Process:

The State Hygienic Laboratory at the University of Iowa (SHL) was chosen based on the Code of Iowa (455B.103) which directs the DNR to contract with public agencies of the state. SHL was chosen for this project because of SHL's sample collection and analysis expertise.

Susan Heathcote asked how this monitoring is different from other monitoring conducted in the watershed. Lisa Fascher said it's not different. It's regular monitoring at 14 sites that have been

monitored for the past 10 years and the CWA section 319 fund has allowed for additional monitoring. The partners have been a big supporter in this monitoring. The data being collected will be analyzed and will include the data that has been collected over the past 10 years. This monitoring is specifically for watershed contributors and not for in lake samples. The samples will be taken from streams and rivers.

John Glenn said that the enhanced monitoring will really show if our efforts are valuable.

Motion was made by Marty Stimson to approve the contract as presented. Seconded by Gene Ver Steeg. Motion carried unanimously.

John Glenn abstained from voting because of his relationship with Rathbun Land and Water Alliance.

APPROVED AS PRESENTED

CONTRACT – MCFADDEN ENVIRONMENTAL, INC AND TRILEAF CORPORATION

Recommendations:

Commission approval is requested for the Department of Natural Resources (DNR) to enter into two one-year professional service contracts with the following firms:

McFadden Environmental, Inc., 722 SW Kennybrook Drive, Grimes, IA 50111

Trileaf Corporation, 3000 SE Grimes Blvd, Suite 500, Grimes, IA 50111

The contracts will begin on February 16, 2011 and terminate on February 15, 2012. The total amount of each contract shall not exceed \$100,000. DNR shall have the option to renew each contract as long as the contracts and any extensions do not exceed a six-year period. The cost of each contract extension shall not exceed \$100,000 subject to available funding.

Funding Source:

The source of funding for this contract is an annual appropriation from the Underground Storage Tank Fund as set forth in House File 2531, amending 455G.3 (2010).

Background:

On April 29, 2010, Governor Culver signed House File 2531 (HF 2531). Based upon Division XV of HF 2531, Section 455G.3 was amended by adding a new subsection stating: "For the fiscal year beginning July 1, 2010, and each fiscal year thereafter, there is appropriated from the Iowa comprehensive petroleum underground storage tank fund to the Department of Natural Resources two hundred thousand dollars for purposes of technical review support to be conducted by nongovernmental entities for leaking underground storage tank assessments." The RBCA Review Assistance contracts are being issued to fulfill the requirements of this legislation.

Purpose:

The parties propose to enter into these contracts for the purpose of retaining the contractors to provide technical review of leaking underground storage tank reports (Risk Based Corrective Action Reports) in support and assistance to the Iowa Department of Natural Resources, Underground Storage Tank Section.

Contractor Selection Process:

The RBCA Review Assistance Project utilized a formal competitive process with sealed proposals. The Request for Proposals (RFP) was posted on the Iowa Targeted Small Business website on October 11, 2010 and on the Department of Administrative Services and Department of Natural Resources websites on October 13, 2010. The RFP was also sent to Iowa Certified Groundwater Professionals on October 13, 2010 via electronic mail.

In response to the RFP, technical and cost proposals were received from the following three vendors:

- McFadden Environmental, Inc, 722 SW Kennybrook Drive, Grimes, IA 50111.
- MWH Americas, Inc., 11153 Aurora Avenue, Des Moines, IA 50322
- Trileaf Corporation, 3000 SE Grimes Blvd, Suite 500, Grimes, IA 50111.

Four DNR evaluators conducted the independent review of technical proposals and five DNR evaluators conducted the independent review of cost proposals. Following is a listing of the scores and ranking of each vendor:

Vendor Name	Final Technical Score (70 Max)	Final Cost Score (30 Max)	FINAL TOTAL SCORE (100 Max)
McFadden Environmental, Inc.	65.5	16.95	82.45
Trileaf Corporation	54.75	26.5	81.25
MWH Americas, Inc.	56.5	12.76	69.26

McFadden Environmental, Inc. and Trileaf Corporation were selected to receive contracts because they had the highest final total scores of the three vendors.

The Underground Storage Tank fund is made up of monies from the gas tax. This started back in 1990. This was set up to help clean up underground tanks that are old and leaking. The fund is scheduled to sunset in 2013. The fund brings in about \$17.5 million a year.

Motion was made by Susan Heathcote to approve the contract as presented. Seconded by Marty Stimson. Motion carried unanimously.

APPROVED AS PRESENTED

CONTRACT – SMALL FEEDLOT PROJECT - IOWA STATE UNIVERSITY

Al Bonini, in the Watershed Improvement Section presented the following item.

Recommendations:

Commission approval is requested for a contract with Iowa State University to support development and delivery of water quality information and education materials to owners and operators of small beef and dairy feedlots, through the Small Feedlot Project. The total amount of this contract shall not exceed \$65,000.

Funding Source:

These contracts will be funded through EPA Section 319 grant funds.

Contractor Selection Process:

These projects were chosen using a grant proposal application and committee review process.

Project Title: *Water Quality Initiatives for Small Iowa Beef and Dairy Feedlot Operations*

Contractor: Iowa State University

Contract Amount: \$65,000

Contract Duration: February 16, 2011 – August 15, 2013

Background: Beef and dairy cattle are major components of Iowa's agricultural industry, with cash receipts from cattle and dairy product sales exceeding \$3 billion in 2007 (Iowa Agriculture Quick Facts, 2007).

A majority of Iowa's beef and dairy cattle are raised in small feedlots (lots with capacity for less than 1000 animals). A total of 1,860,000 cattle were marketed from Iowa feedlots in 2007. The majority of these cattle (1,025,000 head) came from Iowa's 7,500 small feedlots, while the remainder (835,000 head) came from operations with greater than 1000-head capacity. The state's dairy sector is smaller than the beef sector, with dairy cattle found on 2,400 farms in 2007.

As a result of a 5-year project initiated in the early 2000's, the water quality problems associated with Iowa's large cattle feedlots have largely been identified and corrected. As the result of a project called the "Iowa Plan" DNR, EPA, and the Iowa Cattlemen's Association were able to bring the large feedlots (1000-head and larger) into compliance. The Iowa Plan incorporated voluntary feedlot registration with the DNR, environmental priority assessment, and a two-to-five year compliance schedule. A summary of the Iowa Plan can be found on the following DNR webpage: <http://www.iowadnr.gov/afo/files/iowaplan.pdf>

However, runoff from Iowa's smaller beef and dairy feedlot operations continues to negatively impact the quality of Iowa's streams and lakes. Iowa Department of Natural Resources (IDNR) data indicates in recent years 57% of Iowa's non-natural fish kills were caused by manure runoff from livestock operations, with the majority caused by small unroofed feedlot operations.

The same coalition of Iowa agencies and organizations that successfully addressed water quality problems from the state's largest open feedlots is now working to address water quality problems from Iowa's smaller livestock operations. Involved are the Iowa Cattlemen's Association (ICA), the Iowa State Dairy Association, the Iowa Department of Agriculture and Land Stewardship (IDALS), the Iowa office of USDA's Natural Resources Conservation Service (Iowa NRCS), Iowa State University Extension (ISUE) and Iowa Beef Center, and IDNR. Each entity is providing expertise, guidance, and some level of funding to the project.

Project Focus: The project will support development and delivery of water quality information and educational materials, including fact sheets, workshops, demonstration sites, and a webpage, for small dairy and beef feedlot operations. Iowa State University (ISU) ag engineering staff will work with DNR Animal Feeding Operation program staff to develop the technical information for the educational materials, which will be written and published by ISU Extension Communications staff. In addition, ISU's Iowa Learning Farm staff will help coordinate educational activities by conducting small feedlot workshops at demonstrate sites across the state.

The project will enable the owners and operators of Iowa's small feedlots, in conjunction with technical assistance providers, to make informed management decisions at their feedlots to improve water quality. The project will support the recommendations for manure management that are included in the State Nonpoint Source Management Plan.

David Petty abstained from voting because of his involvement with the Iowa Cattlemen's Association.

Motion was made by John Glenn to approve the contract as presented. Seconded by Susan Heathcote. Motion carried unanimously.

Director Lande said that in talking with producer groups, it's clear that they will be more open and in opposition to the bad actors in their industry.

APPROVED AS PRESENTED

CONTRACT - WATERSHED MANAGEMENT PLAN – WINNESHIEK COUNTY SOIL AND WATER CONSERVATION DISTRICT (SWCD)

Al Bonini, in the Watershed Improvement Section presented the following item.

Recommendations:

Commission approval is requested for a two-year contract with the Winneshiek County Soil and Water Conservation District (SWCD) to complete a watershed management plan (WMP) for the Yellow River Headwaters Watershed. The purpose of the WMP is to identify actions needed to restore the Yellow River Headwaters, an impaired stream located in Winneshiek and Allamakee Counties. The total amount of this contract shall not exceed \$50,000.

Funding Source:

This contract will be funded through EPA Section 319 grant funds.

Purpose:

The parties propose to enter into this contract for the purpose of completing a watershed management plan for the watershed selected.

Contractor Selection Process:

This project was chosen using the DNR Watershed Planning Grant application and committee review process.

Project Name: Yellow River Headwaters Watershed Management Plan

Contractor: Winneshiek County Soil and Water Conservation District

Amount: \$50,000

Time Frame: March 1, 2011 – February 28, 2013

Background: This two-year project administered through the Winneshiek County Soil and Water Conservation District will develop a watershed management plan which includes the Environmental Protection Agency's (EPA) Nine Elements for watershed planning. The final product will be a department approved Watershed Management Plan to be used for project implementation.

Yellow River Headwaters Watershed drains 26,730 acres of rural land within Winneshiek and Allamakee Counties. This segment of the Yellow River is the most intensively farmed sub watershed of the Yellow River. A 2007 land use watershed assessment found that over 72% of the watershed is in row crop production. Despite the recognition that the Yellow River is a unique and valuable natural resource, it has been identified as having significant water quality impairments. The Yellow River Headwaters is currently listed on the 2008 303(d) impaired waters list for not meeting the aquatic life (biological) and primary contact use (bacteria).

Project Focus: Over the next two years, the process will focus on 1) gathering and organizing data, 2) educating the public through community based planning efforts, 3) developing watershed

goals that are acceptable to watershed residents yet meet water quality goals, 4) developing a plan to monitoring for success and 5) prepare a comprehensive Watershed Management Plan for the Yellow River Headwaters watershed.

Al Bonini said that more plans similar to this will be coming forward.

Director Lande commented on the successes of this type of work and the fact that Iowa now has 26 streams that can naturally produce trout.

Motion was made by David Petty to approve the contract as presented. Seconded by John Glenn. Motion carried unanimously.

APPROVED AS PRESENTED

CONTRACT – STATE HYGIENIC LABORATORY – EPA TMDL LABORATORY AND MONITORING SERVICES

Mary Skopec, Ph.D., in the Watershed Monitoring and Assessment Section presented the following item.

Recommendation:

The Department requests Commission approval of a contract in the amount of \$307,461.96 with the State Hygienic Laboratory (SHL) for one year.

<i>Contract</i>	<i>Begin Date</i>	<i>End Date</i>	<i>Cost</i>
2011-12 EPA TMDL Laboratory and Monitoring Services	March 1, 2011	June 30, 2012	\$307,461.96

Funding Source:

This project will be funded through Federal EPA dollars.

Background:

The Total Maximum Daily Load program is a provision of the Clean Water Act that sets limits on the amount of pollutants that can be delivered to water bodies and still meet water quality standards. TMDL development relies on water monitoring data to calibrate and run models to establish appropriate goals for pollutant loads. EPA provides grant money to the DNR for the purpose of collecting water quality and biological monitoring data to support the development of Total Maximum Daily Load plans (TMDLs). Data collection as part of a TMDL is more intensive than typical ambient monitoring and therefore requires additional services from SHL beyond what is typically covered in the ambient monitoring contracts. Iowa code 455B.103 requires contracting with state agencies for laboratory services.

Purpose:

The purpose of this contract is to provide analytical services to EPA TMDL projects to collect water quality and biological data for modeling pollutant reductions needed to achieve water quality standards in impaired water bodies in Iowa. The contract covers monitoring on seven lake watersheds and eleven stream watersheds.

Consulting Firm Selection Process:

The SHL was chosen as contractor based on the Code of Iowa (455B.103), which directs the DNR to contract with public agencies of the state. SHL was also chosen for this project due to their sample collection and analysis expertise.

Mary Skopec, Ph.D., Stream Monitoring Coordinator
Watershed Monitoring and Assessment Section, Iowa Geological and Water Survey
Environmental Services Division

Section 7.3. The estimated budget for this contract will be as follows (DRAFT):

Task	Amount of compensation allotted to Task (Variable Payment)
Task 1. Otter Creek Lake Sampling and Analysis	\$11,756.00
Task 2. Central Park Lake Sampling and Analysis	\$10,419.00
Task 3. Little River Lake Sampling and Analysis	\$6,296.00
Task 4. Thayer Lake Sampling and Analysis	\$9,435.00
Task 5. Beaver Lake Sampling and Analysis	\$11,783.00
Task 6. Lake Pahoja Sampling and Analysis	\$12,061.00
Task 7. Kent Park Lake Sampling and Analysis	\$5,155.00
Task 8. Willow Creek Sampling and Analysis	\$63,896.00
Task 9. Middle Fork Grand River Sampling and Analysis	\$53,319.00
Task 10. Peck Creek Sampling and Analysis	\$45,246.00
Task 11. Bear Creek (Dyersville) Sampling and Analysis	\$3,557.00
Task 12. Pleasant Creek Sampling and Analysis.	\$3,557.00
Task 13. Paint Creek Sampling and Analysis.	\$3,557.00
Task 14. Jackson/West Jackson Creek + 2 additional Rathbun Watershed Sampling and Analysis.	\$14,060.00
Task 15. Burr Oak Creek (2 sites) Sampling and Analysis	\$7,030.00
Task 16. Walnut Creek (Ames) (2 sites) Sampling and Analysis	\$7,030.00
Task 17. Bailey Creek Sampling and Analysis	\$3,515.00
Task 18. Skillet Creek Sampling and Analysis	\$3,515.00
Task 19. QA/QC Procedures	No Charge
Task 20. Data Transfer	No Charge

Miscellaneous Supplies	\$5,000.00
Maintenance and Repairs	\$3,500.00
Shipping	\$1,000.00
Sub-total	\$284,687.00
Facilities and Administrative Costs @ 8%	\$22,774.96
TOTAL (not to exceed)	\$307,461.96

Motion was made by Susan Heathcote to approve the contract as presented. Seconded by Marty Stimson. Motion carried unanimously.

APPROVED AS PRESENTED

PROPOSED NEW RULES AND RULE AMENDMENTS – CHAPTER 48 (NEW) – GHEX – CLOSED LOOP GROUND HEAT EXCHANGERS: CHAPTER 38 – PRIVATE WATER WELL CONSTRUCTION PERMITS: CHAPTERS 39 – REQUIREMENTS FOR PROPERLY PLUGGING ABANDONED WELLS: CHAPTER 49 – NON PUBLIC WATER SUPPLY WELLS: CHAPTER 82 – WELL CONTRACTOR CERTIFICATION

Russ Tell in the Water Quality Bureau presented the following item.

The commission is asked to approve a Notice of Intended Action for proposed rulemaking to establish a new chapter of rules for ground heat exchange closed loop borehole heat exchange systems and the necessary amendments to Chapters 38, 39, 49, and 82 to fully implement the proposed new Chapter 48.

In 2005 the department was asked by a committee of individuals who work within the geothermal drilling industry in our state to participate in a process that would identify areas within the geothermal construction process that can lead to groundwater protection issues and system failure. The industry believes that substandard installations could increase the cost and liability to system owners and to degrade the state's resources – a premise the department agrees with. Starting in 2006, the department began discussions with the initial stakeholder group as well as the statewide drilling organizations and began to identify the specific needs of the drilling industry and how those needs can be balanced with the need for sound environmental controls.

Our discussions and meeting have lead to the creation of a new set of administrative rules that should provide additional protections to our groundwater and the aquifers penetrated by GHEX boreholes. These new rules are comparable to the national standards that have been developed by the organized national trade associations who all or in part support the GHEX industry.

The following is a brief summary of the proposed changes:

1. Creation of new rules - Chapter 48 – GHEX – Closed Loop Ground Heat Exchangers. The proposed rules will address the specialty construction that these boreholes require and increase the protection standards provided during borehole installation and operation.
2. Chapters 38 – Private Water Well Construction Permits. Provide for dedicated permit application form information and notification requirements.
3. Chapter 39 – Requirements for Properly Plugging Abandoned Wells. Amendments to the current language to include a rule citation for proper abandonment of GHEX loop boreholes.
4. Chapter 49 – Nonpublic Water Supply Wells. Rescind the current rule citation for GHEX boreholes, Chapter 49.29 and add a statement as to where the GHEX rules can be found.
5. Chapter 82 – Well Contractor Certification. The addition of one new certification classification – GHEX Driller, along with a new specialty exam to certify the individuals doing this work.

Pending Commission approval, we plan to have six public hearings across the state. We propose that three of the hearings be held during non-business hours to allow access to individuals whose jobs will not allow traditional daytime participation in the hearing process.

We plan to come back in April for final approval.

Gene VerSteege asked if the Department foresees any push back on these regulations.

Russ Tell said that he has been working with many groups on these rules. Yes, there will be comments from groups that do not want additional regulations but there will also be groups that support these rules because they have been following these standards for years and want everyone else to act the same.

Motion was made by Susan Heathcote to approve the proposed new rules as presented. Seconded by Lorna Puntillo. Motion carried unanimously.

APPROVED AS PRESENTED

PROPOSED RULE – CHAPTER 20, 22, 25 AND 33: AIR QUALITY PROGRAM RULES – PREVENTION OF SIGNIFICANT DETERIORATION (PSD) FOR FINE PARTICULATE MATTER

Christine Paulson, in the DNR Air Quality Bureau presented the following item.

The Notice of Intended Action is to amend Chapter 20 "Scope of Title –Definitions-Forms-Rules of Practice," " Chapter 22 "Controlling Pollution," Chapter 25 "Measurement of Emissions," and

Chapter 33 “Special Construction Permit Requirements for Major Stationary Sources in Areas Designated Attainment or Unclassified (PSD)” of the 567 Iowa Administrative Code is being presented to the Commission for information.

The purpose of the proposed rule changes is to adopt changes to the federal regulations for Prevention of Significant Deterioration (PSD) into state air quality rules. The U.S. Environmental Protection Agency (EPA) has finalized amendments to the PSD regulations over the past two and a half years to address the new national ambient air quality standards (NAAQS) for fine particulate matter that is less than or equal to 2.5 micrometers in diameter (PM_{2.5}). EPA issued the final component necessary for PM_{2.5} implementation in the PSD program on December 21, 2010.

In addition, the Department also is adopting provisions to allow for rescission of PSD permits. Rescission provisions were included in the Iowa PSD rules for many years, but were inadvertently excluded when the Department adopted significant PSD amendments in 2006 to address EPA’s New Source Review (NSR) Reform regulations.

Background (PSD Program and PM_{2.5} Implementation)

To ensure that Iowans have clean air to breathe, the Department is required by federal and state law to develop state implementation plans that manage outdoor air resources so that existing, new, and modified sources of air pollution do not cause or contribute to violations of the NAAQS.

Community, business and industry, agriculture, and transportation activities all contribute to air pollution in the atmosphere. Appropriate plans and programs to address these contributions are the building blocks necessary to assure that the air Iowans breathe meets health based air quality standards. The first building block is the federal PSD program that establishes requirements for very large sources of air pollution.

The PSD program is a component of NSR that includes procedures to ensure that air quality standards are maintained. The Department has had an EPA-approved state PSD program since 1987. In general, the PSD program requires that an affected facility obtain a PSD permit specifying how the facility will control emissions. The permit requires the facility to apply Best Available Control Technology (BACT), which is determined on a case-by-case basis taking into account, among other factors, the cost and effectiveness of the control. Ambient air impact analyses are conducted to determine whether the proposed emission limits, controls, and operating conditions will be sufficient to prevent violations of the NAAQS and unacceptable levels of air quality deterioration, if the facility is constructed or modified as planned.

The PM_{2.5} NAAQS establishes a limit on the acceptable exposure and public health impacts of PM_{2.5}. PM_{2.5} can easily by-pass most of the body’s defense mechanisms and become lodged deep in the lungs, where the particles can cause coughing, or difficulty breathing, aggravated asthma; development of chronic bronchitis; nonfatal heart attacks; and premature death in people with heart or lung disease.

EPA created a NAAQS in 1997 for this pollutant in order to better protect the public from the adverse impacts of PM_{2.5} on human health. EPA strengthened the PM_{2.5} NAAQS in 2006 based on reviews of the latest public health information and scientific data, reducing the acceptable level of PM_{2.5} that humans can be exposed to from 65 micrograms per cubic meter of air (ug/m³) down to 35 ug/m³.

An essential component of EPA's revising the NAAQS for PM_{2.5} is implementation rules for the PSD program. EPA finalized the first of its PSD amendments for PM_{2.5} implementation in May 2008, but did not finalize the last of the necessary updates until December 21, 2010. Now that EPA has completed the PSD amendments for PM_{2.5}, the Department is proceeding with proposing necessary changes to state air quality rules.

Summary of rule changes

This rulemaking makes amendments to Iowa's rules to implement changes to the federal PM_{2.5} regulations that EPA finalized in a phased approach over the last three years. This rulemaking addresses the following EPA actions:

- May 16, 2008 – EPA published final rules setting PSD significant emissions rates for PM_{2.5} and addressed PM_{2.5} precursors.
- October 20, 2010 – EPA published final rules setting PSD increments, significant impact levels (SILs), and significant monitoring concentrations (SMCs) for PM_{2.5}; and
- December 21, 2010 – EPA published federal rules establishing EPA reference stack testing methods for PM_{2.5}.

The specific items included in the adopted rules are briefly summarized below. The specific amendments are included in the attached Notice of Intended Action.

Item 1 amends Chapter 20 to adopt EPA's revisions to stack test methods to establish procedures for measuring PM_{2.5}.

Item 2 amends Chapter 22, the Title V program rules, to adopt EPA's revisions to stack test methods to establish procedures for measuring PM_{2.5}.

Item 3 amends the stack test methods and procedures in Chapter 25 to include EPA's new procedures for PM_{2.5}.

Item 3 also adopts by reference revisions the Department's "Compliance Sampling Manual" to reflect the new PM_{2.5} testing methods and to establish alternative testing procedures. The proposed changes to the sampling manual would allow facilities to use the new PM_{2.5} testing methods or to alternatively complete one test for particulate matter (PM) using an updated Iowa procedure to demonstrate compliance with multiple limits for PM, particulate matter that is less than equal to 10 micrometers in diameter (PM₁₀), and PM_{2.5}. The Iowa procedure has been used in the past with facilities conducting a PM test to show compliance with both the PM and PM₁₀ limits in a permit. With the EPA amendments, the Department no longer considers the current Iowa procedure to be equivalent, and the Department is revising the Compliance Sampling Manual to address this. The proposed revisions to the manual will be provided at the

Commission meeting. The public may provide comments on the revisions to the Compliance Sampling Manual during the public comment period for this rulemaking.

Item 4 amends the PSD rules in Chapter 33 to add a new definition for PM_{2.5}. The definition is based on the current definition of PM₁₀ in Chapter 20, and also matches the federal definition in 40 Code of Federal Regulations (CFR) Part 58, Subpart A.

Item 5 amends several PSD definitions in Chapter 33 to match the changes EPA made in 40 CFR 52.21 to implement the PM_{2.5} NAAQS. The definitions revised include “baseline area,” “baseline date,” “enforceable permit condition,” “federally enforceable,” “regulated NSR pollutant,” and “significant.” The proposed revisions match the federal amendments, except that the Department is not proposing to adopt federal language that is explanatory to states.

Item 6 amends Chapter 33 to adopt by reference EPA’s revisions to the ambient air increments to include thresholds for PM_{2.5}.

Item 7 amends Chapter 33 to adopt by reference EPA’s amendments to the PSD exemptions to incorporate PM_{2.5}.

Item 8 amends Chapter 33 to adopt by reference EPA’s revisions to the source impact analysis requirements to include PM_{2.5}.

Item 9 amends Chapter 33 to adopt by reference EPA’s revisions to the requirements for sources impacting federal Class I areas to include PM_{2.5}.

Item 10 amends Chapter 33 to revise the provisions for the conditions for permit issuance to match EPA amendments that establish the PSD significance levels for PM_{2.5}.

Item 11 amends Chapter 33 to add new provisions for rescinding a PSD permit. The Department is proposing this amendment because these provisions were inadvertently excluded when the Department finalized changes to the PSD rules in 2006. The proposed amendments are similar to EPA’s regulations in 40 CFR 52.21(w), except that the revisions are tailored to the Department’s long-standing rules for permit revocations.

The Department plans to bring this Notice to the Commission for decision at the Commission’s April or May meeting.

INFORMATION

MONTHLY REPORTS

Wayne Gieselman, Division Administrator, Environmental Protection Division, presented the following items.

The following monthly reports have been posted on the DNR website under the appropriate meeting month: <http://www.iowadnr.com/epc/index.html>

1. Rulemaking Status Report
2. Variance Report
3. Hazardous Substance/Emergency Response Report
4. Manure Releases Report
5. Enforcement Status Report
6. Administrative Penalty Report
7. Attorney General Referrals Report
8. Contested Case Status Report
9. Waste Water By-passes Report

INFORMATION

GENERAL DISCUSSION

Wayne Gieselman gave updates on the following bills and subcommittees:

- One bill that establishes rulemaking authority with the Director and takes it away from the EPC.
- The Department is currently registered against HSB 75, which deals with the Title V fee.
- We continue to have budget concerns. The Governor's budget cuts approximately \$3 million dollars and we anticipate that the legislators will have additional cuts to our budget.

NEXT MEETING DATES

March 15, 2011

ADJOURNMENT

With no further business to come before the Environmental Protection Commission, Chairperson Hubbell adjourned the meeting at 12:45 p.m., Tuesday, February 15, 2011.

Roger L. Lande, Director

Charlotte Hubbell, Chair

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